

Chapter 6

Community Revitalization

Vision

In the year 2020, Lake County will have revitalized residential, commercial, and industrial areas to provide for stable communities and reduce development pressure on open space locations.

Significance

The steady pace of residential and commercial development occurring in Lake County has not contributed equally to the community and economic vitality of all portions of the County. Lake County has many disinvested areas. These disinvested areas include commercial districts that have experienced a loss of retail and office activities; industrial areas that have buildings and facilities that are underutilized or abandoned as well as sites that are, or are perceived to be, contaminated; and residential neighborhoods that have concentrations of housing units that suffer from a lack of investment and maintenance.

In many instances investors, developers, and individual homeowners and business owners find it more attractive to build or purchase a home or commercial facility in previously undeveloped open space locations, as discussed in Chapter 4, Environmental Resources, Open Space, and Farmland. Stabilizing, revitalizing, and redeveloping existing commercial, industrial, and residential areas is critical to maintaining the County's undeveloped farmland and natural resource areas. Redeveloping the older, built up areas of the County should be emphasized in order to utilize the infrastructure that already exists and to also increase the value of the properties. Revitalization of these areas will provide jobs for people in these areas, encourage home ownership, provide for stable communities, and reduce development pressure on open space locations.

The purpose for including this chapter in the *Regional Framework Plan* is to encourage County agencies and local communities to cooperate in promoting revitalization in disinvested areas. Many of these disinvested areas have been identified by local officials as revitalization areas for the purpose of improving their conditions. The benefits from improving disinvested areas will be felt throughout the entire County.

Issues and Opportunities

- Municipal governments have taken the initiative in brownfield cleanup and revitalization, through municipal comprehensive plans and grant applications.
- Areas that are contaminated or are perceived to be contaminated have suffered disinvestment and declined in value.
- There are six identified Superfund sites in Lake County that are in the process of being cleaned up.
- Federal, state, and County grant programs are available for brownfields remediation and community revitalization.

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- Attracting retail businesses and clean industry to disinvested areas will increase economic activity in these areas, increase the economic value of the areas, make more efficient use of existing infrastructure, and protect open spaces and farmlands from development.
- Lake Michigan and inland lakes could attract revitalization for community uses including commercial, residential, recreational, and open space.
- Concentrations of minority populations in certain disinvested areas provide an opportunity for commercial and retail revitalization, which could employ and serve local residents.
- Community flower and vegetable gardens and landscaping with native vegetation could improve the appearance of vacant parcels in disinvested areas.

Analysis

Revitalization Areas

The revitalization areas of the cities and villages in the list below are from their comprehensive plans or were identified during the Lake Regional Forums. Municipalities used their own criteria to define their revitalization areas. The County's Community Development staff identified revitalization areas in unincorporated Antioch, Fremont, Grant, and Lake Villa Townships. These areas are those unincorporated areas where Community Development Block Grant (CDBG) funds are being directed during the 2002 Housing and Urban Development (HUD) funding year. The municipalities and townships with designated revitalization areas are:

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|---|---|
| 1. Village of Antioch | 12. City of North Chicago |
| 2. Village of Barrington | 13. Village of Round Lake Beach |
| 3. Village of Fox Lake | 14. Village of Round Lake Park |
| 4. Village of Grayslake | 15. Village of Vernon Hills |
| 5. Village of Gurnee | 16. City of Waukegan |
| 6. Village of Hainesville | 17. City of Zion (2 revitalization areas) |
| 7. City of Highland | 18. Antioch Township |
| 8. City of Lake Forest (2 revitalization areas) | 19. Fremont Township |
| 9. Village of Lake Zurich | 20. Grant Township |
| 10. Village of Lincolnshire | 21. Lake Villa Township |
| 11. Village of Mundelein | |

The municipalities that are not listed above have indicated that there are no identified revitalization areas in their communities or have not responded to requests for information about revitalization areas in their community.

Generally, local officials have identified revitalization areas in disinvested areas that suffer from poor maintenance, abandonment, obsolete development, or brownfields. In many cases, the poor physical condition is reflected in lower than average parcel values. In addition, many of the designated revitalization areas have concentrations of low-income families and minorities, which qualifies them for certain federal programs discussed later in this chapter.

Low Property Values

The Lake County Tax Administration System contains all the tax related information and history about individual parcels. The parcels used for this chapter's analysis are those located in the identified revitalization areas and include only those classified by Lake County's Tax Administration System as Commercial Improved, Residential Improved, and Industrial Improved. The average equalized value for parcels classified as Commercial Improved in each revitalization area was compared to the average equalized value of those classified as Commercial Improved for that respective village as a whole. This method was also used for Residential Improved parcels and for Industrial Improved parcels.

Using this technique, 11 of the 17 revitalization areas in the municipalities and all of the four revitalization areas in unincorporated Lake County contain parcels with lower than average improved values. Low average values for commercially classified parcels may indicate the need to improve the condition of or attract more businesses to the area, while low average improved values of residential parcels may indicate the need for better maintenance of residences.

Low-Income Families

The Median Family Income (MFI) used in Lake County is that for the Chicago Primary Metropolitan Statistical Area (PMSA). The MFI is reported by the U.S. Department of Housing and Urban Development as \$68,700, for a family of four. The Chicago PMSA includes Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will counties. HUD defines low-income families in Lake County as those with incomes lower than 82.2% of the MFI, which is \$56,500 (U.S. Department of Housing and Urban Development).

HUD generally defines an area of low-income concentration as an area where over 51% of the population consists of families with incomes below 80% (\$54,960) of the region's Median Family Income. Using the criteria of the Community Development Block Grant Program (CDBG), which is a program under HUD that provides funds for community development activities, projects targeting block groups that contain a concentration of at least 35.6% of families with incomes below 82.2% (\$56,500) of the region's MFI can be considered to principally benefit low- and moderate-income persons. This allows a greater portion of the County to qualify for area-wide CDBG projects. More information about HUD programs and CDBG funds is included later in this chapter.

Thirteen of the municipality-designated revitalization areas, and three of those in unincorporated Lake County, contain areas in block groups where 35.6% or more of the families are considered low-income (below \$54,960). Figure 6.1 shows the relationship between the revitalization areas and the concentrations of low-income families.

Minority Concentrations

"Minority population" means the entire population minus non-Hispanic Whites. HUD requires Lake County to report the distribution of funds in areas with high minority concentrations. Lake County Community Development staff, in consultation with HUD, determined that block groups have a high minority concentration when 25% or more of the population consists of minorities. Federal law prohibits discrimination in Federal grant programs. By having local governments

show the areas of minority concentration and identify the location of federally assisted activities (such as public facilities and social services), HUD can determine whether or not there is discrimination in the allocation of program funds. In addition, HUD's site and neighborhood standards attempt to ensure that housing for lower-income persons is developed in areas other than those of minority concentrations.

Ten of the municipal revitalization areas are in areas with high minority concentrations; none of those in unincorporated Lake County are in high minority concentration areas. The relationship between the revitalization areas and minority concentration is shown in Figure 6.2. These concentrations may give an indication to the types of services needed by the population. This may be an immediate opportunity to help create a natural customer base that will patronize local minority owned or operated businesses.

Municipality Revitalization Areas

The following descriptions of revitalization areas contain information obtained from municipal comprehensive plans, Lake Regional Forum meetings, the Lake County Tax Administration System, and the U.S. Bureau of the Census. The average equalized values¹ are intended to compare the values of the entire village with its own corresponding revitalization area. They are intended to show the need for revitalization in the specified areas as compared to the village as a whole. Communities that are not listed are encouraged to participate and will be added to the list of descriptions as information is provided.

1. Village of Antioch

- Block bounded by Main Street, Orchard Street, and Depot Street
- Skidmore Drive between Park Street and Orchard Street
- Toft Avenue between Lake Avenue and Orchard Street

The Village of Antioch's revitalization area is within its Tax Increment Financing (TIF) district (TIFs are discussed later in the section on revitalization programs) and is located near an area with a large concentration of low-income families. The Village is encouraging façade and store entrance improvements. Sidewalks connecting stores to municipal parking lots and to each other will be improved. The overhead power lines along Toft Avenue will be buried (Silhan, 2002).

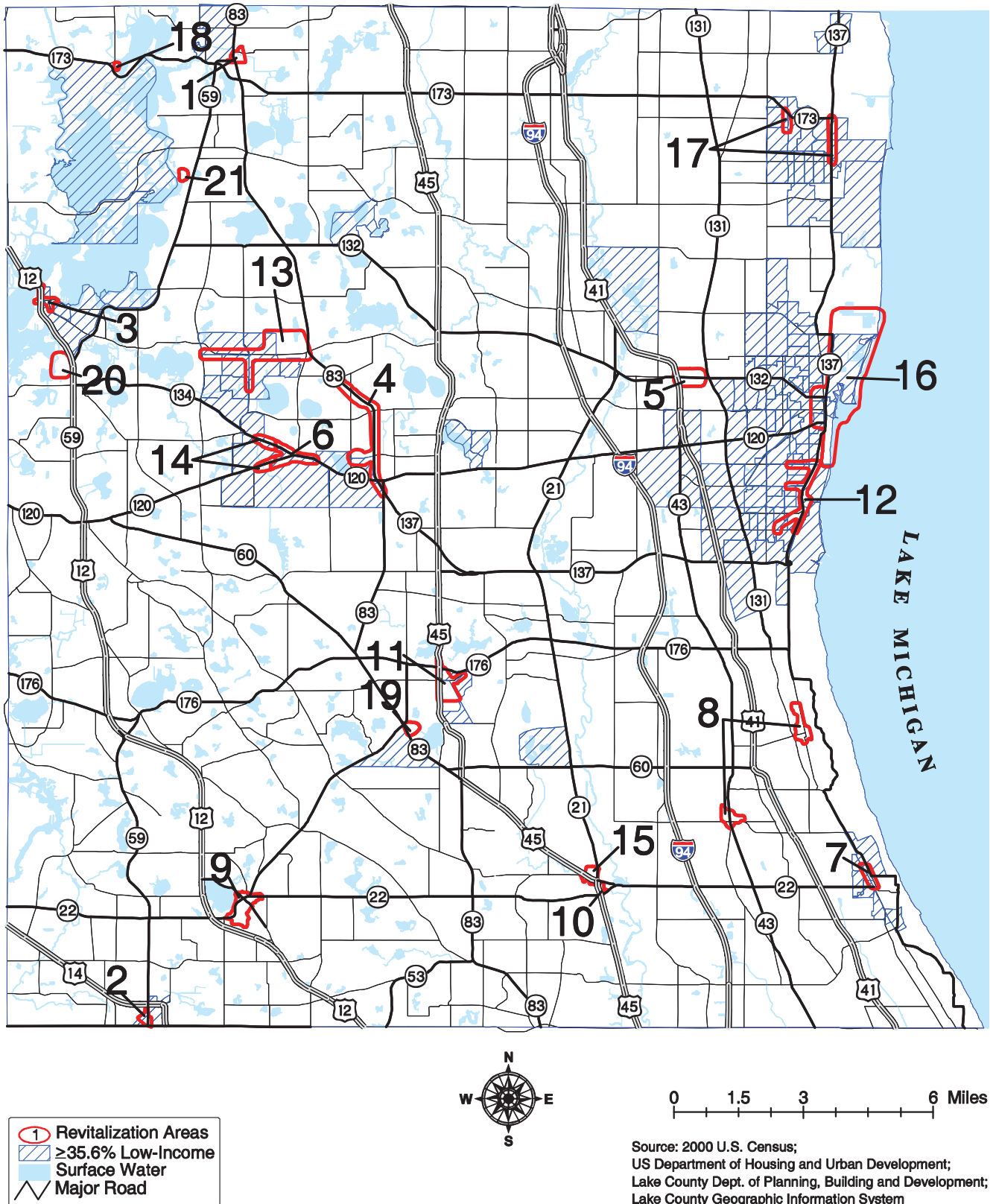
2. Village of Barrington

- Village Center: triangle bordered by Hough Street on the east, the C&NW railroad to the south, the EJ&E railroad to the west.
- The North Cook Street Area: Motor Werks facility.
- North Hough Street Business District: area bordered by Hough Street on the east, EJ&E railroad to the south, Langendorf Park to the west, and Lions Office Building to the north.

The average equalized value of parcels in the Village of Barrington's revitalization area is significantly lower when compared to the average equalized value for parcels in the rest of the Village. Parcels classified Industrial Improved in the revitalization area have an average equalized value of \$1,180,470 compared to \$5,859,557 for parcels classified Industrial Improved for the entire Village (Lake County's Tax Administration System, 2001). Those parcels classified as Residential Improved have an average equalized value of \$315,141. In the revitalization area parcels of the same classification have an average equalized value of \$156,630.

¹ See description of average equalized value on page 6-3.

Figure 6.1
Revitalization Areas and Areas of Low-Income Families



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The revitalization area is also located in an area where 30.2% of the population or more is considered low-income.

The 2000 *Barrington Comprehensive Plan* recommends mixed-use for the Village Center consisting of retail, office, and residential. Residential units and offices would be located above the street-level retail. The North Hough Street Business District is proposed to have retail and office in addition to the existing manufacturing. In the event the manufacturing leaves the district (which is not recommended) residential will be included.

3. Village of Fox Lake

- Downtown: Nippersink Boulevard between Riverview Avenue and Holley Avenue and Grand Avenue between Pistakee Lake Road and Holley Avenue.

In addition to being an area of low-income families, the parcels classified Commercial Improved in the revitalization area have a low average equalized value of \$244,706 compared to those elsewhere in the Village where it is \$689,671 (Lake County's Tax Administration System, 2001).

4. Village of Grayslake

- Illinois Route 83 corridor through the Village
- Downtown Grayslake

The Village of Grayslake has an average equalized value of \$440,806 for parcels classified Commercial Improved, but drops to only \$206,677 in the Route 83 Corridor and Downtown, a difference of \$234,129. The parcels classified Residential Improved for Grayslake have an average equalized value of \$183,254 but only \$162,811 in the revitalization areas, a difference of \$20,443 (Lake County's Tax Administration System, 2001).

5. Village of Gurnee

- The East Grand Gateway: Grand Avenue from the Village boundary on the east to Route 41.

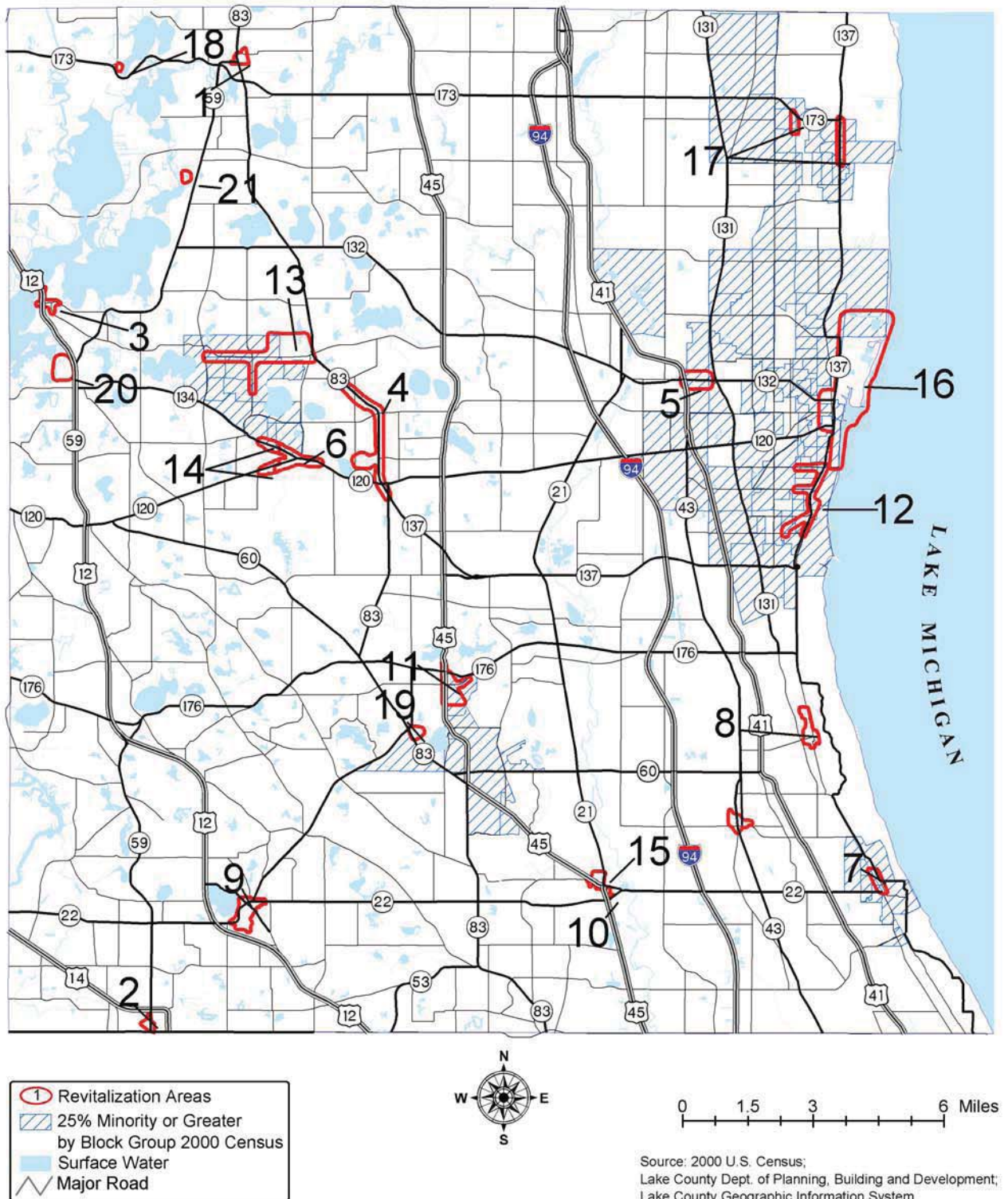
The East Grand Gateway of Gurnee has a low average equalized value for parcels classified Commercial Improved of \$545,799 compared to \$2,587,214 for those in the entire Village (Lake County's Tax Administration System, 2001). The Gurnee revitalization area is also located in a block group that meets the HUD reporting requirements for concentrations of minority populations of 25% or more.

The *Village of Gurnee 1997 Land Use Plan Update* indicates the desire to attract new investors and patrons to the East Grand Gateway. The Village's improvement strategy includes the improvement of both aesthetics and identity of the area by improving entry signage, upgrading street lighting, enhancing parking lots and rights-of-way, creating urban open spaces, adding new bus shelters, and improving vehicle circulation.

6. Village of Hainesville

- Route 120 corridor through the entire Village limits.
- Route 134 through the entire Village limits.
- Intersection of Route 120 and Hainesville Road.

Figure 6.2
Revitalization Areas and Racial and Ethnic Minority Concentrations



7. City of Highwood

- Commercial Business District: Along Green Bay Road and Sheridan Road (Waukegan Avenue), from Washington Avenue to Prairie Avenue.

According to the U.S. Census 2000, 38.2% of the population in Highwood is Hispanic/Latino. In the Commercial Business District it is 46.1% Hispanic/Latino (U.S. Census Bureau, 2000).

8. City of Lake Forest

- Settler's Square: Business district just north of the fork at Waukegan Road and the railroad
- Commercial Business District: Along Western Avenue and the railroad line from Franklin Place to Vine Avenue.

The City of Lake Forest has an average equalized value for parcels classified Residential Improved of \$779,011 compared to \$366,558 and \$407,438 for the same classification in the Commercial Business District and Settler's Square, respectively. The 2001 Lake County Tax Administration System also shows that parcels classified Commercial Improved for the entire Village have an average equalized value of \$3,809,455 but only \$1,397,939 in the Commercial Business District and is \$1,667,516 in the Settler's Square district.

Revitalization in the City of Lake Forest includes redeveloping the Settler's Square Business District to create a definite and continuous edge along Waukegan Road using two story buildings with fronts oriented toward Waukegan Road with rear parking. First floors will primarily be for customer-oriented service or retail uses, while second floors will be office uses (*City of Lake Forest Comprehensive Plan*, 1998). Improved landscaping will increase pedestrian activity and enhance the court as a useable public space. In addition, the Central Business District of Lake Forest will be preserved and strengthened as the primary commercial area, transportation center, hospitality center and residential area for the City. New development in the Commercial Business District will be compatible with and help preserve the existing historic character.

9. Village of Lake Zurich

- Downtown: Area surrounding the intersection of Old Rand Road and Main Street

The 2001 Lake County Tax Administration System shows the average equalized value of parcels classified Commercial Improved in Lake Zurich's Downtown area as \$242,712 compared to \$958,298 in the same classification for the entire Village.

The downtown area in the Village of Lake Zurich is located in a Tax Increment Financing (TIF) District. The Village's intent is to redevelop and revitalize the area as a mixed-use commercial and residential district. The TIF proposal will visually link diverse land uses, including the lakefront area, and create a cohesive and integrated identity for a mixed-use downtown area. Increasing the residential population in the downtown area will help create a natural customer base for downtown businesses.

10. Village of Lincolnshire

- Downtown: Area bounded by Old Half Day Road, State Highway 22, and U.S. Highway 45

The 2001 Lake County Tax Administration System shows that parcels classified as Residential Improved in Lincolnshire have an average equalized value of \$443,279. In Lincolnshire's

revitalization area, parcels with the same classification have an average equalized value of only \$172,814.

The Village of Lincolnshire's revitalization area is located in a TIF district. The concept plan for the area includes creating a mixed-use development consisting of retail, office, restaurant, and residential uses. The Village's plan proposes adding a condominium of approximately 50 units north of Indian Creek, and two restaurants. The development is to be pedestrian-oriented, with generous sidewalks, landscape planting and amenities such as benches and seating areas.

11. Village of Mundelein

- Downtown: Area along Lake Avenue from Courtland Street to Lyndale Street and along Hawley Street from Lake Avenue to James Place.
- Area bounded by Lake Street and the railroad tracks to the east.
- Specific properties with revitalization opportunities include the Decorel Property, the Garrison Property, the Hill Belran/Sutter Property, and the Josephson/Sutter Property.

In the Village of Mundelein the average equalized value of parcels classified Commercial Improved is \$810,231, and drops to \$393,198 in the revitalization area (Lake County Tax Administration System, 2001).

The Village of Mundelein's revitalization goal is to create an environment suitable for small, diverse retailers, restaurants, a festival marketplace, and a residential complex. Traffic into downtown from Route 176 is encouraged (*Village of Mundelein Downtown Comprehensive Plan*, 1997).

12. City of North Chicago

- 14th Street between Glen Drive and the Sheridan Road Commercial corridor.
- 10th Street between Glen Drive and the Sheridan Road Commercial corridor.
- Sheridan Road between 14th Street and Martin Luther King Drive (22nd Street).
- Martin Luther King Drive between Sheridan Road and Green Bay Road.

According to the 2000 Census 35.8% of the population of North Chicago is African-American and 18.2% is Hispanic/Latino. The percentage in the revitalization area increases for both African-Americans and Hispanics/Latinos to 41.6% and 37.5% respectively. The City of North Chicago's corporate boundaries include Great Lakes Naval Training Center, which has a dramatic effect on its demographics. When the Naval Training Center is separated out of the total population, 54% of the City is African-American and 26% is Hispanic/Latino (U.S. Census Bureau, 2000). The 2001 Lake County Tax Administration System shows that the City's average equalized value is \$415,789 for Commercial Improved but is only \$140,340 in the revitalization area.

The City is focusing redevelopment efforts around strategic retail, commercial, and industrial nodes. Key sites include Downtown Sheridan Road between 17th Street and Broadway, Sheridan Road South between 19th Street and Martin Luther King Drive, and the area around the intersection of Green Bay Road and Martin Luther King Drive. In coordination with private developments there is also a streetscape improvement plan for new and existing roads and public properties. High-density residential redevelopment in the area will benefit from proximity to commercial uses, Foss Park, and the Lake Michigan lakefront (May, 2002).

13. Round Lake Beach

- Central Business District: 313 acres north of Rollins Road, south of the Sutton on the Lake subdivision, between the Soo Line Railroad and Hickory Avenue.
- 37 acres on the west side of Illinois Route 83, just north of Hook Drive.
- Cedar Lake Road Corridor.
- Southeast quadrant of the Fairfield Road/Lake Shore Drive Intersection.

Part of Round Lake Beach's revitalization area lies within a TIF district. The revitalization area is also an area with high concentrations of low-income families and is in an area where 25% or more of the population is minority.

The Village of Round Lake Beach is encouraging the development of a Central Business District on 313 acres north of Rollins Road and South of Sutton on the Lake. This Central Business District is to include a new town center consisting of a new village hall and police station, post office, elementary school, recreation center, and Metra station. A Business Service Center is to be located on 37 acres on the west side of Illinois Route 83, just north of Hook Drive. The Cedar Lake Corridor is being planned as a mixed-use area, consisting of commercial, office, and restaurants. A "key development area" consisting of professional and general offices with limited commercial and industrial uses is intended for the southeast quadrant of the Fairfield Road/Lake Shore Drive Intersection and will include a variety of employment opportunities (Barerra, 2002). The Village is also encouraging the redevelopment of residential areas through programs to rehabilitate or demolish old residential structures. The Residential Façade Improvement program offers assistance to homeowners who desire to improve the appearance of their residential structures. The Village is in the process of acquiring vacant/foreclosed homes and rehabilitating them for resale at fair market value. The Village is also using factors such as location within a floodplain, building code violations, and the age of the home to determine whether or not a building will be demolished (Barerra, 2002).

14. Village of Round Lake Park

- Illinois Route 120 corridor
- Illinois Route 134 corridor
- Illinois Route 60 corridor
- Illinois Route 83 and Peterson Road
- Hainesville Road and Washington Street

The average equalized value for parcels classified Commercial Improved in the revitalization area is \$141,447, while for the Village as a whole it is \$452,340.

One focus of revitalization is along Illinois Route 134 through downtown. Revitalization of this area could be aided through the Illinois Main Street Program, but as explained in a later section, the program is currently not funded. There is also an opportunity to fund revitalization by establishing a Tax Increment Financing (TIF) District in the revitalization area.

There is also an opportunity for revitalization in the Illinois Route 120 (Belvidere Road) corridor, a rapidly growing residential area. Commercial development is suggested for the intersection of Hainesville Road and Washington Street, which would complement recent developments in Hainesville. The intersection of Illinois Route 83 and Peterson Road has extremely large traffic volumes and represents the potential "coming together" of Round Lake Park, Libertyville, Mundelein, and Grayslake.

15. Village of Vernon Hills

- Area north and south of Route 45, west of Milwaukee Avenue

The Village of Vernon Hills has designated its revitalization area as a Tax Increment Financing (TIF) District. Part of the tax revenue generated by new business development in Vernon Hills' TIF district will be used to pay off bonds that are obtained to finance site improvements, site preparation, environmental remediation, public infrastructure improvements and other project costs.

16. City of Waukegan

- Downtown Waukegan
- 10th Street commercial corridor between Glen Drive and Sheridan Road

The revitalization area, which is in a TIF district, is located in an area where 25% of the population is minority. Parcels classified Residential Improved have an average equalized value of only \$71,333 at the 10th Street Commercial District and \$69,973 in the downtown area compared to an average equalized value of \$126,185 in the entire city (Lake County Tax Administration System, 2001). The City of Waukegan is participating in the Illinois State Main Street Program for its downtown. Waukegan has adopted and has begun to implement a redevelopment plan for the lakefront (Sabourin, 2002). For more information on the redevelopment of the Waukegan lakefront visit <http://www.waukeganweb.net/ULI1.htm>.

17. City of Zion

- Revitalization parcels: Galilee Avenue, between Bethlehem and 24th Street
- Revitalization parcels: Hebron Avenue between Bethlehem and 24th Street
- Commercial Business District along Sheridan Road between 21st Street and 29th Street

Part of the Zion revitalization area is located in a TIF district. The revitalization area is also located in an area where 25% or more of the population is minority and 30.2% or more of the families are low-income.

The revitalization parcels on Galilee Avenue contain a mix of multifamily, small commercial, and industrial uses on blocks originally platted for single-family houses. According to the City's Comprehensive Plan, this area should be redeveloped for townhouses or duplexes if the existing non-residential uses can be relocated. The Hebron Avenue revitalization parcels are a priority due to high density. The exteriors of buildings in the Commercial Business District will be restored to show the original architectural details; parking lots will be landscaped; and there will be a streetscape program including landscaping, street furniture, and improved signage. Parcels with substandard buildings deteriorated beyond repair have been designated for new construction for commercial uses. Housing on the upper levels of businesses within the CBD is encouraged to assure clientele for the Commercial Business District (*Zion Comprehensive Plan 2010, 1992*).

Unincorporated Lake County Revitalization Areas

18. Antioch Township

A. Fair Oaks Circle

This area is a residential neighborhood in Antioch Township on the southwestern shore of Channel Lake. The average equalized value for parcels in unincorporated Antioch Township

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classified Residential Improved is \$167,025 but drops to \$136,492 in Fair Oaks Circle (Lake County Tax Administration System, 2001).

-CDBG funds will be used to mitigate flood hazards by improving the stormwater sewer system.

19. Fremont Township

B. West Shore Park Subdivision

This is a residential neighborhood located in Fremont Township, between Diamond Lake and the incorporated areas of Long Grove and Mundelein. The average equalized value for parcels classified Residential Improved in unincorporated Fremont Township is \$287,461 and drops to \$184,336 in the West Shore Park Subdivision (Lake County Tax Administration System, 2001).

-CDBG funds are being used to expand potable water supply systems in this area, including replacing and upgrading watermain on Trinity and Martin Streets.

20. Grant Township

C. Ingleside: Anchorage Road, Marine Drive, and Sheridan Drive in the Bayview subdivision

This area is a residential neighborhood located in unincorporated Grant Township. The average equalized value for all parcels classified Residential Improved is \$136,629 in the unincorporated areas of Grant Township, but drops to \$98,481 in the Ingleside neighborhood (Lake County Tax Administration System, 2001).

-Flood hazards will be mitigated by improving the stormwater system using CDBG funds on Glenayre Street, Third Avenue, and Sheridan in the Bayview subdivision.

21. Lake Villa Township

D. Petite Lake Highwoods Subdivision

This area is a residential neighborhood located in unincorporated Lake Villa Township on the northeastern shore of Petite Lake. The 2001 Lake County Tax Administration System shows that the average equalized value for all parcels classified Residential Improved is \$139,200 in unincorporated Lake Villa Township, but is only \$106,767 in the Petite Lake Highwoods Subdivision.

-CDBG funds will be used to improve drainage and to mitigate flood hazards by improving the stormwater system.

Programs to Improve Revitalization Areas

Housing and Urban Development Funds

Lake County and the cities of North Chicago and Waukegan, as the “Lake County Consortium,” allocate the annual U.S. Housing and Urban Development (HUD) funds for the Community Development Block Grant program (CDBG), Home Investment Partnership Program (HOME), Emergency Shelter Grant (ESG) program, and the Supportive Housing Program (SHP). Generally, HUD’s program or project eligibility rules and regulations are determined annually based on income or concentrations of low-income families. The intended effect and objectives of these programs are to encourage and support the development of viable communities by providing decent, safe, and sanitary housing; a suitable living environment; expanding economic opportunities; and providing homeless assistance activities principally for low- and moderate-income persons. More specifically:

- The CDBG Program provides funds for community development activities including, but not limited to, public facility and handicapped accessibility improvements, housing activities, economic development and job training programs, and public service activities.
- The HOME Program provides funds for the construction or rehabilitation of single- or multifamily housing units, principally for low- and moderate-income residents or for special needs housing.
- The ESG Program provides funds for the rehabilitation, renovation, or conversion of emergency/transitional shelters and for maintenance and operation costs, essential services, and homeless prevention activities for homeless individuals and families.
- The SHP Program provides funds for acquisition, rehabilitation, leasing, supportive services, operating, and administrative costs of transitional housing programs for the homeless and permanent housing for homeless persons with disabilities.

Tax Increment Financing (TIF) Districts

Tax increment financing is a local redevelopment technique that Illinois municipalities and counties (based on separate State Statutes) may use to fund specified public and private improvements and services needed to prepare an area for additional private investment. Public funds are initially used to make an area attractive to private investors. In the wake of the public and private improvements, property values rise and tax revenues increase. The difference between the beginning and increased revenues is the “tax increment.” This increment is reinvested in the TIF district.

Tax increment financing permits all municipalities to capture and reinvest the increased property tax revenues generated from a TIF district to pay for the costs incurred by the municipality in its redevelopment efforts. Eligible costs include planning; architectural and engineering services; purchasing land and buildings; demolitions; site improvements; rehabilitation of existing, or construction of, new public buildings; infrastructure and utilities; bond financing costs, and administrative expenses (McClure, 1991).

Financial incentives that can be offered to private investors include: building demolition and site improvements, rehabilitation and remodeling of existing structures, relocation costs, and job training for employees. Up to 30% of the interest costs on the money borrowed by a private investor to purchase or develop property can also be paid through a TIF program (McClure, 1991).

Illinois TIF law specifies a number of requirements that must be satisfied for an area to qualify as a TIF district, beginning with identifying the district and the physical and economic deficiencies that need to be cured. Municipal officials and a joint review board made up of representatives from local taxing bodies (including the school district and the county) must then review a plan for the redevelopment of the TIF area. A public hearing is then held where residents and other interested parties can express their thoughts on the subject (Illinois Tax Increment Association, 2002).

The proposal must then pass through approval by the municipal governing board, and the mayor or village president will then sign the ordinance into law. No state or federal approval is required.

The municipalities in Lake County with a single TIF district are Antioch, Bannockburn, Barrington, Buffalo Grove, Highwood, Lake Forest, Lake Zurich, Libertyville, Lincolnshire, and North Chicago; Deerfield and Highland Park have two; Round Lake Beach and Zion have three; and Waukegan has five TIF districts (Wasylo, 2002). The TIF districts are shown on Figure 6.3.

Lake County, Illinois

Lake County Partners Micro Loan Program

“The Lake County Partners works to maintain economic vitality and quality of life in Lake County, Illinois by creating and retaining quality jobs, stimulating capital investment, pursuing economic diversity and improving the County's business climate” (Lake County Partners, 2002). The Lake County Partners provides loans of from one to five years to help attract new businesses to Lake County. The loan amount can be from \$500 to \$50,000. A company can receive more than one loan as long as the total amount does not exceed \$50,000. Funds can be used for working capital, inventory, equipment, leasehold improvements, or other business needs. A minimum of one part-time job must be created with loan dollars.

Historic Preservation Programs

Revitalization efforts can be initiated and enhanced through applying the techniques of historic preservation. Citizens generally appreciate and value the architectural styles of their community's formative years and respond positively to efforts to rehabilitate neighborhoods and business centers that have historic buildings. The documented economic benefits from historic preservation include construction activity, an increase in property values, and revenues from tourism (Morris, 1992).

The 12 National Register Historic Districts in Lake County, which are in Barrington, Fort Sheridan, Deerfield, Highland Park, Lake Forest, Millburn, and Waukegan, demonstrate the local interest in historic preservation (Illinois Historic Preservation Agency, 2001A). Federal and state programs provide financial incentives to communities that identify their significant historic buildings and districts.

Illinois Main Street

Preserving downtowns and recapturing the “sense of place” is the goal of Illinois Main Street. The Illinois State Main Street Program provides technical assistance to communities in the following four areas: 1) building an effective managed downtown organization that is volunteer-driven and guided by professional staff, 2) enhancing the design and appearance of the downtown through historic preservation, 3) promotion strategies that bring people to downtown, and 4) revitalizing downtown businesses through economic restructuring.

Participating communities provide the funds for the program and employ a local Main Street manager. Illinois Main Street provides free training and technical assistance, while Illinois Historic Preservation Agency designers provide free architectural and design services. Libertyville, Mundelein, and Waukegan have been designated Main Street communities in Lake County. The state is not currently funding this program.

Illinois Heritage Grant: The Illinois Historic Preservation Agency administers the Illinois Heritage Grants program. Properties listed on the National Register of Historic Places or designated as landmarks under county or municipal preservation ordinances, and owned by a not-for-profit organization or a local government, are eligible for grants up to \$50,000. A 40% local cash match is required. Grants can be used for planning, survey, rehabilitation, reconstruction, restoration, and landscaping. Projects involving historic buildings and archaeological sites are eligible (Illinois Historic Preservation Agency, 2001).

Property Tax Assessment Freeze: The Property Tax Assessment Freeze Program provides tax incentives to owner-occupants of certified historic residences who rehabilitate their homes.

Through this program, the assessed value of the historic house is frozen for eight years. The valuation then is brought back to market level over a period of four years (Illinois Historic Preservation Agency, 2001).

The Federal Historic Preservation Tax Credit: The Federal Historic Preservation Tax Credit Program allows a federal income tax deduction for the rehabilitation of income producing buildings that are listed or eligible for listing in the National Register (Illinois Historic Preservation Agency, 2001).

Contaminated Sites and Cleanup Programs

Abandoned commercial and industrial facilities and sites are scattered throughout the County. These areas may lie within or adjacent to revitalization areas making the revitalization areas less attractive for redevelopment. Some businesses that would consider locating in a revitalization area may ultimately decide on a different location because of actual or perceived contamination.

The federal government designates highly contaminated areas with correspondingly large cleanup costs as “Superfund Sites.” Less contaminated sites are commonly referred to as “Brownfields.” Brownfields are “real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.” (U.S. Environmental Protection Agency, 2002).

Superfund Sites

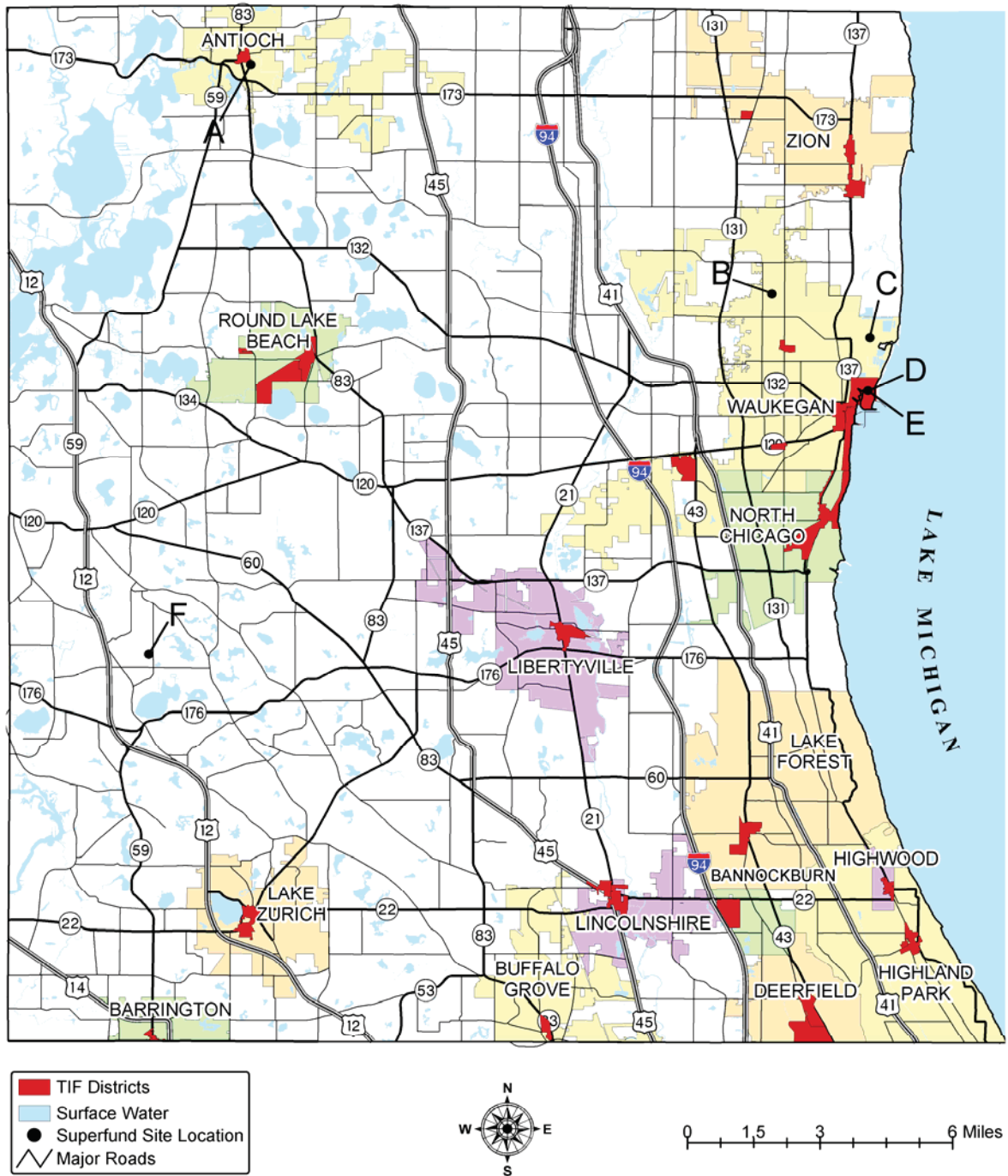
The “Superfund Program” was created by the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980. Using this law, the USEPA can force companies responsible for creating hazardous waste sites that threaten public health or cause environmental damage to clean them up. The law also set up the public trust fund, the Superfund, to help fund clean up.

A site is deleted from the list of Superfund sites when the USEPA determines that no further response is required to protect human health or the environment. The most important Superfund sites are currently listed on the National Priority List and cleanup of contamination is still in progress. Funding for the program may be withdrawn, so some sites on the National Priority List may not actually get cleaned up under the Superfund Program.

The six Lake County sites on the National Priority List (as of March 2004) are described below and are shown on Figure 6.3.

- A. The H.O.D. Landfill is located near the Village of Antioch. Cleanup efforts include the containment of leachate, gas extraction, waste cap improvements, and groundwater monitoring. Plans include using the site’s release of methane to heat the nearby high school and to use the area for practice fields, other school facilities, and other recreational areas (Joyce, 2004).
- B. The Yeoman Creek Landfill is in Waukegan. Cleanup began on February 1, 2002 and is expected to be completed in spring 2005. The City of Waukegan is currently considering options for reuse of the site, including recreational activities such as a nature park with pedestrian and bicycle paths and wildlife habitat.

Figure 6.3
TIF Districts and Superfund Sites



TIF districts can last up to 23 years and do expire.
TIF districts can be renewed, but some TIF districts
shown may have expired since this maps publication.

Source: U.S. Environmental Protection Agency;
Lake County Geographic Information System

- C. The Johns-Manville site is located at the north end of the Waukegan Lakefront. Six additional contaminated sites have been found outside the original Superfund Site. The City of Waukegan hopes to use the site as passive greenspace near the planned soccer fields located just west of the site (Joyce, 2004).
- D. The former Outboard Marine Company (OMC) property is located on the shore of Lake Michigan in Waukegan. Clean up began in 1990. OMC has declared bankruptcy, which has complicated cleanup efforts at the site. There is currently no completion date for any type of redevelopment of the site (Joyce, 2004).
- E. The contamination at the Waukegan Coke Plant site was discovered when implementing the Waukegan Harbor PCB cleanup. The site is fenced and exposure to soils and groundwater is limited. Cleanup work began in 2003. Soil work will begin in September of 2004 and will be completed by December 2004. Groundwater cleanup will begin in 2005. The City of Waukegan has purchased the site and plans to redevelop the site as a condominium development (Joyce, 2004).
- F. The Wauconda Sand and Gravel site is in an unincorporated area near Wauconda. Construction of contamination containment and collection systems was completed in 1987 and was upgraded in 1996. However, contamination has recently been discovered in a nearby residential area. The contamination is the NPL site (Joyce, 2004). Cleanup of contamination on the site continues. There are currently no plans for the site's reuse.

There may be other sites throughout Lake County that may qualify to be added to the National Priority List. However, the USEPA has not verified the type and extent of contamination at these sites. Because the contamination at these sites is unverified, there is only a potential presence of a hazardous substance, pollutant, or contaminant; these sites therefore are considered brownfields and not Superfund sites. There are still other sites that require immediate cleanup due to the high levels of contamination. These sites are cleaned up under the Superfund Removal Emergency response Branch and are not on the National Priority List. There are yet other sites where negotiations are made between the Potentially Responsible Parties, the landowners, and the USEPA to cleanup these sites; these negotiations make placement on the National Priority List unnecessary due to their immediate cleanup (Joyce, 2004).

Brownfield Sites

Brownfield sites pose less health and environmental risks than do Superfund Sites and are many times more numerous. Since the brownfield definition includes both the presence and potential presence of a hazardous substance, pollutant, or contaminant, brownfield sites could easily number into the hundreds. Because of their large number, and relatively low potential risk to public health or to cause environmental damage, there is no program to inventory them. The money that would be spent to find them could be better utilized to cleanup a site in order for it to be reoccupied by a new use.

Once identified, brownfield sites can be cleaned up through the state's Voluntary Site Remediation or Leaking Underground Storage Tank programs. In both programs, the degree of clean up required for a specific site depends on the end use of the site. To reuse a contaminated industrial site for a new industrial use would take less cleanup than would be necessary to use the site for an office; it would take more cleanup still to use the site for a residential project.

Once all cleanup program requirements are met, based on the intended type of reuse, the Illinois EPA will issue a "No Further Remediation Letter" (NFR). The NFR letter assures the new user that the site is safe for the intended use, and that the owner will not be liable for any additional clean up at a later date. The NFR letter will specify what, if any, safeguards have to be

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maintained on the site. The NFR letter generally serves as a release from liability and a signal that redevelopment activities on a site can proceed.

Federal, state, and local governments offer numerous financial incentives to promote the redevelopment of brownfield sites. The United States Environmental Protection Agency provides Brownfields Assessment and Demonstration Pilot Grants to fund the assessment of brownfield sites and to encourage the development of innovative and coordinated environmental cleanup and redevelopment models. The USEPA also sponsors a Brownfields Cleanup Revolving Loan program for the environmental remediation of brownfield sites. Please refer to the USEPA website (<http://www.epa.gov/swerosps/bf/topics.htm>) for further information.

The Illinois Environmental Protection Agency also offers financial incentives to encourage the redevelopment of brownfield sites. The Illinois Brownfields Redevelopment Grant, available only to municipalities, provides up to \$240,000 for environmental assessments and cleanup activities. The Illinois Brownfields Redevelopment Loan Program provides low-interest loans to private parties and any unit of local government to pay for environmental remediation and limited investigation and demolition activities. The maximum loan amount per application is \$500,000. Information about these programs is available through the Office of Brownfields Assistance on the Illinois EPA website (<http://www.epa.state.il.us/land/brownfields/index.html>).

One brownfield may have a negative impact on several nearby municipalities. Recognizing this, the U.S. and Illinois EPAs allow multiple municipalities to band together for funds to clean up a brownfield that impacts them all. Communities can form coalitions and work together to cooperatively obtain funds to remediate and redevelop brownfield sites that have a regional impact.

Lake County Brownfield Fund

The Lake County Board has established a brownfield fund in an intergovernmental effort to reduce environmental contamination and promote economic development. Local governments in need of assistance to redevelop brownfield sites can apply for reimbursement of (1) the cost of environmental studies or (2) actual remediation costs to cleanup sites.

Applicants eligible for state or federal funding are encouraged to seek assistance from those sources prior to applying for the County program. County brownfield funds are available to any unit of local government on a one-to-one matching basis, with the County reimbursing actual costs paid by the local government. The maximum request for County funds is \$100,000 per project location.

The County Board's Community and Economic Development Committee evaluates project requests based on established criteria. Projects intended to create jobs in community revitalization areas receive priority consideration. For more information, please contact the County Administrator's Office at 847.377.2250.

Goals and Policies²

Goal: Revitalize and redevelop disinvested commercial and industrial areas located in municipalities and unincorporated Lake County.

- 6.1.1 Policy: Maintain an inventory of existing vacant commercial and industrial sites (parcels and buildings) and market them to businesses interested in expanding or relocating from outside the County into municipalities or unincorporated areas in Lake County.
- 6.1.2 Policy: Encourage the formation and location of businesses to areas where nearby residents will patronize them and where the businesses will create employment opportunities for residents.
- 6.1.3 Policy: Promote upgrading, maintenance, and renovation of existing commercial areas.
- 6.1.3a Encourage the conversion of structures to their highest and best use.
- 6.1.3b Facilitate and streamline the process for removing deteriorated structures that are beyond economic repair.
- 6.1.3c Encourage government agencies to cooperate with property owners to revitalize disinvested buildings through landscaping, façade improvements, and unified lighting and signage.
- 6.1.3d Encourage government agencies, civic organizations, garden clubs, and property owners to improve the appearance of vacant parcels in disinvested areas through community gardens of flowers, vegetables, and native vegetation.
- 6.1.4 Policy: Encourage an increase in the emphasis on enforcing existing building codes to eliminate or remediate substandard structures.
- 6.2 Goal:** Revitalize and stabilize deteriorating residential areas, converting them into well-maintained, safe, livable neighborhoods.
 - 6.2.1 Policy: Upgrade, maintain, and renovate existing residential areas, consistent with this *Regional Framework Plan* and with local planning objectives.
 - 6.2.2 Policy: Encourage the review of the accessory uses allowed in residential zoning districts in the Unified Development Ordinance and edit these sections in a way that is more appropriate for residential neighborhoods.
 - 6.2.3 Policy: The County and municipalities should strive for consistent, fair enforcement of building and property maintenance codes through the use of equivalent or a common building code that is equitably and consistently enforced in all municipalities and in unincorporated Lake County.
 - 6.2.4 Policy: Encourage the use of all available programs for the construction or rehabilitation of single- or multifamily housing units.
 - 6.2.5 Policy: Encourage home ownership as a tool for community revitalization.

² As stated in Chapter 1, Introduction, a Goal is defined as “the desired result to be achieved by implementing the *Plan*,” and a Policy is defined as “a general method or action designed to achieve a goal.”

- 6.2.6 Policy: Facilitate the removal of residential structures that are deteriorated beyond economic repair.
- 6.2.7 Policy: Study the impacts of residential teardowns as they apply to community character and amend regulations and policies where appropriate.
- 6.3 Goal:** Identify and produce comprehensive plans for the revitalization of shoreline properties on Lake Michigan and other lakes for community uses, including residential, recreational, open space, and appropriate commercial uses.
 - 6.3.1 Policy: Encourage the conversion of civically and historically significant buildings in or near lakefront communities into buildings that serve as anchors for new development.
 - 6.3.2 Policy: Encourage and coordinate the revitalization of commercial waterfront communities in conjunction with downtown areas, when part of a master plan.
 - 6.3.3 Policy: Expand the system of green space corridors and trails to interconnect with public waterfronts where possible.
 - 6.3.4 Policy: Promote public waterfronts and commercial areas adjacent or near them as tourist destinations.
 - 6.3.5 Policy: Encourage and improve public access to public lakes.
- 6.4 Goal:** Support the continued redevelopment of downtown areas in coordination with this *Regional Framework Plan*.
 - 6.4.1 Policy: Preserve, rehabilitate, and/or convert buildings having historic, civic, and/or architectural significance in downtown areas into buildings that serve as anchors for new development.
 - 6.4.2 Policy: Encourage appropriate adaptive reuse of obsolete buildings while maintaining the desired downtown character.
 - 6.4.3 Policy: Discourage the conversion of property to other uses if it detracts from the desired downtown character.
 - 6.4.4 Policy: Encourage the combined investment of public and private capital in the revitalization of downtown areas.
 - 6.4.5 Policy: If funding becomes available, encourage eligible communities to become Illinois Main Street Communities.
- 6.5 Goal:** Redevelop brownfields into economically viable areas.
 - 6.5.1 Policy: Identify uses for brownfields with new businesses that will generate tax revenue and create jobs.
 - 6.5.2 Policy: Encourage communities to seek the principally responsible parties to fund brownfield cleanup.

- 6.5.3 Policy: Assist communities in forming coalitions to obtain more state and federal funds for brownfield remediation and cleanup.
- 6.5.4 Policy: Encourage communities and other local agencies to apply for available brownfield funds.
- 6.6 **Goal**: Improve infrastructure, transportation, and services in revitalization areas.
 - 6.6.1 Policy: Encourage agencies from all levels of government to cooperate when doing infrastructure expansion and improvement.
 - 6.6.2 Policy: Encourage communities that qualify, based on income and minority concentrations, to apply for CDBG funds for infrastructure improvements, economic development, job training, and services.
- 6.7 **Goal**: Preserve and maintain historic and architecturally significant buildings as a component of revitalization activities.
 - 6.7.1 Policy: Assist local governments, homeowners, businesses, and investors to participate in historic preservation programs.

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